

AMENDED IN ASSEMBLY APRIL 30, 2007

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

## ASSEMBLY BILL

**No. 1309**

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**Introduced by Assembly Member Charles Calderon**

February 23, 2007

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An act to add Section 798.46 to the Civil Code, relating to mobilehomes.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1309, as amended, Charles Calderon. Mobilehomes: rent control.

The Mobilehome Residency Law provides a comprehensive body of laws governing the terms and conditions of residency in mobilehome parks. That law provides for the establishment and observance of rules and regulations applicable to various aspects of mobilehome residences. That law also requires that a city, county, or city and county that administers a rent control measure to permit the management, as defined, to separately charge a homeowner for certain fees and costs imposed by a specified governmental entity on the space rented by the homeowner, and makes this provision applicable to fees and charges first imposed on or after January 1, 1995.

This bill would permit the management of a mobilehome park to set the initial rent for a mobilehome space ~~when there is a change in ownership of a mobilehome in the park, as specified~~, *subject to specified limitations*. The bill would provide that after the initial rent is set pursuant to these provisions, an increase in the rent shall be subject to any rent increase regulations adopted by the local agency with

jurisdiction over the mobilehome park. The bill would also make related legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) The availability of housing is a matter of vital statewide  
4 importance and attaining decent housing and a suitable living  
5 environment for every Californian is a priority of the highest order.

6 (b) Attaining these goals requires the cooperative participation  
7 of government and the private sector in an effort to expand housing  
8 opportunities and accommodate the housing needs of Californians  
9 of all economic levels.

10 (c) Local and state government have a responsibility to use the  
11 powers vested in government to facilitate housing opportunities  
12 and protect the financial viability of safe and decent housing for  
13 Californians of all economic levels.

14 (d) Leading academic and economic experts agree that rent  
15 controls cause reductions in the quality and quantity of housing,  
16 are inefficient governmental policies, fail to secure affordable  
17 housing, and damage some of the low-income renters these rent  
18 controls are designed to protect.

19 (e) The Legislature recognizes the damaging effect of stringent  
20 rent controls by enacting provisions related to vacancy decontrol  
21 in 1987 and 1995. In order to implement vacancy decontrol, the  
22 Legislature prohibited commercial rent control and required all  
23 apartment rent control ordinances to permit owners to raise rents  
24 to market rates for new residents while allowing for the imposition  
25 of rent controls for the new tenancies.

26 (f) Providing balanced incentives promotes the state's interest  
27 in preserving the number of mobilehomes.

28 (g) Over 100 local governments in this state have rent control  
29 ordinances for spaces in mobilehome parks and of these, 20 percent  
30 recognize the positive, balanced effect of vacancy decontrol by  
31 including vacancy decontrol in their rent control ordinances.

32 (h) The existing number of mobilehome parks is a vital  
33 component in the state's housing market and the lack of balance

1 or limits on local mobilehome rent control ordinances jeopardizes  
2 the financial viability of parks and diminishes the quality and  
3 quantity of mobilehome park spaces available for rent.

4 SEC. 2. Section 798.46 is added to the Civil Code, to read:

5 798.46. (a) Notwithstanding any contrary provision of law, if  
6 a tenancy is voluntarily terminated by the resident or terminated  
7 pursuant to Article 6 (commencing with Section 798.55), the  
8 management may set the initial rent for a mobilehome space ~~when~~  
9 ~~there is a change in ownership of the mobilehome on that space,~~  
10 *subject to the following:*

11 *(1) If the initial rental rate is controlled by an ordinance or*  
12 *charter provision in effect on January 1, 2008, the management*  
13 *may set the initial rental rate in an amount not to exceed the*  
14 *greater of the following:*

15 *(A) Twenty percent in excess of the rental rate in effect*  
16 *immediately preceding the tenancy.*

17 *(B) Seventy percent of the prevailing market rent for comparable*  
18 *units, as defined in an appraisal conducted in accordance with*  
19 *nationally recognized professional appraisal standards.*

20 *(2) On or after January 1, 2011, or if paragraph (1) does not*  
21 *apply, the management may set the initial rental rate at market*  
22 *rates.*

23 (b) After the initial rent is set pursuant to subdivision (a), an  
24 increase in the rent shall be subject to any rent increase regulations  
25 adopted by the local agency with jurisdiction over the mobilehome  
26 park.

27 (c) This section shall not apply to a change in ownership due  
28 to the death of a mobilehome owner when the deceased tenant's  
29 spouse takes over the ownership and occupancy of the mobilehome.